

AMENDED IN SENATE JUNE 16, 2010

AMENDED IN ASSEMBLY MARCH 17, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

**No. 1997**

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**Introduced by Assembly Member Portantino**

February 17, 2010

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An act to ~~amend Section 69433~~ *add and repeal Section 76072* of the Education Code, relating to student financial aid.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1997, as amended, Portantino. Community colleges: student financial aid programs: ~~application forms. aid: pilot program.~~

*Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law establishes community college districts, administered by a governing board, throughout the state, and authorizes these districts to provide instruction to students at the community college campuses maintained by the districts.*

*Existing law requires the Office of the Chancellor of the California Community Colleges to develop a statement that individual students will be asked to sign, which acknowledges that federal and state funds are available to assist with the costs of college and that information regarding these programs, and assistance in applying for those funds, can be obtained at the financial aid office.*

*This bill would require the Office of the Chancellor, until January 1, 2014, to establish a voluntary pilot program, with specified requirements, to increase student participation in state and federal*

*financial aid programs. The bill would require the Office of the Chancellor to provide specified information on the pilot program to the Legislative Analyst's Office by January 10, 2013, which the Legislative Analyst's Office would be required to use to report to the Legislature on the results of the pilot program and make recommendations for statewide expansion of the pilot program.*

~~Existing law establishes various student financial aid programs under the administration of the Student Aid Commission, and establishes eligibility requirements under these programs for participating students attending qualifying institutions.~~

~~Existing law requires the commission to authorize the use of standardized student financial aid application forms and requires these forms to be used for the Cal Grant Program and all other programs funded by the state or a public institution of postsecondary education, except that a simplified form may be used for a specified financial assistance program of the Board of Governors of the California Community Colleges.~~

~~This bill would instead authorize a community college district to use the simplified form solely for purposes of specified fee waivers provided by the board of governors, solely on a case-by-case basis, and only under certain circumstances. The bill would require a community college district that elects to use the simplified form to annually report to the Chancellor of the California Community Colleges the number of simplified forms used and its justifications for the use of that form.~~

~~Vote: majority. Appropriation: no. Fiscal committee: no.~~  
~~State-mandated local program: no.~~

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 76072 is added to the Education Code,  
 2     to read:  
 3     76072. (a) The Office of the Chancellor of the California  
 4     Community Colleges shall establish a voluntary pilot program to  
 5     increase student participation in state and federal financial aid  
 6     programs. The chancellor shall select no more than 10 community  
 7     college campuses to participate in the pilot program from  
 8     campuses that volunteer to participate in the program. In selecting  
 9     campuses for the pilot program, the chancellor, to the extent  
 10    possible, shall ensure geographic, economic, and demographic  
 11    diversity.

1     ***(b) The pilot program shall identify both of the following target***  
2     ***populations to participate in the pilot program:***

3         ***(1) Students potentially eligible for financial aid who complete***  
4         ***an application for a fee waiver provided pursuant to Section 76300***  
5         ***or a Free Application for Federal Student Aid (FAFSA).***

6         ***(2) Students potentially eligible for financial aid who do not***  
7         ***receive any campus, state, or federal financial aid.***

8     ***(c) The goal of the pilot program shall be to increase student***  
9     ***participation in both state and federal financial aid programs by***  
10    ***performing actions including, but not limited to, both of the***  
11    ***following:***

12         ***(1) Identifying strategies and best practices for increasing the***  
13         ***number of students who submit the FAFSA.***

14         ***(2) Examining and developing strategies for increasing student***  
15         ***participation in state and federal financial aid programs beyond***  
16         ***the waiver of fees pursuant to Section 76300.***

17     ***(d) The Office of the Chancellor of the California Community***  
18     ***Colleges is encouraged to pursue both private and federal funding***  
19     ***to support implementation and operation of the pilot program.***

20     ***(e) Once a pilot program has been established pursuant to***  
21     ***subdivision (a), the Office of the Chancellor shall provide the***  
22     ***following information to the Legislative Analyst's Office on or***  
23     ***before January 10, 2013:***

24         ***(1) Strategies and techniques that the participating community***  
25         ***college campuses employed in administering the pilot program.***

26         ***(2) Data on student participation in state and federal financial***  
27         ***aid programs.***

28     ***(f) Based on the information received pursuant to subdivision***  
29     ***(e), the Legislative Analyst's Office shall report to the Legislature***  
30     ***on the results of the pilot program and make recommendations***  
31     ***for statewide expansion of the pilot program. The report shall***  
32     ***include all of the following:***

33         ***(1) A statistical analysis of financial aid applications and***  
34         ***awards before and after implementation of the pilot program.***

35         ***(2) A summary of the major strategies and techniques employed***  
36         ***by the participating community college campuses in administering***  
37         ***the pilot program.***

38     ***(g) This section shall remain in effect only until January 1, 2014,***  
39     ***and as of that date is repealed, unless a later enacted statute, that***  
40     ***is enacted before January 1, 2014, deletes or extends that date.***

1     SECTION 1. ~~Section 69433 of the Education Code is amended~~  
2 ~~to read:~~

3     ~~69433. (a) (1) A Cal Grant Program award shall be based~~  
4 ~~upon the financial need of the applicant, and shall not exceed the~~  
5 ~~calculated financial need for any individual applicant. The~~  
6 ~~minimum level of financial need of each applicant shall be~~  
7 ~~determined by the commission pursuant to Section 69432.9. The~~  
8 ~~commission may provide renewal awards.~~

9     ~~(2) A student attending a nonpublic institution shall receive a~~  
10 ~~renewal award for tuition or fees, or both, in an amount not to~~  
11 ~~exceed the maximum allowable award amount that was in effect~~  
12 ~~in the year in which the student first received a new award.~~

13     ~~(b) A Cal Grant award authorized pursuant to this chapter shall~~  
14 ~~be defined as a full-time equivalent grant. An award to a part-time~~  
15 ~~student shall be a fraction of a full-time grant, as determined by~~  
16 ~~the commission.~~

17     ~~(c) (1) The commission shall prescribe the use of standardized~~  
18 ~~student financial aid applications for California. These applications~~  
19 ~~shall be simple in nature, and collect common data elements~~  
20 ~~required by the federal government and those elements needed to~~  
21 ~~meet the objectives of state-funded and institutional financial aid~~  
22 ~~programs.~~

23     ~~(2) (A) The applications prescribed in paragraph (1) shall be~~  
24 ~~used for the Cal Grant Program, all other programs funded by the~~  
25 ~~state or a public institution of postsecondary education, and all~~  
26 ~~federal programs administered by a public postsecondary education~~  
27 ~~institution.~~

28     ~~(B) Notwithstanding subparagraph (A), a community college~~  
29 ~~district may use a simplified form solely for purposes of fee~~  
30 ~~waivers from the Board of Governors of the California Community~~  
31 ~~Colleges under Section 76300. The community college district~~  
32 ~~may use the simplified form solely on a case-by-case basis and~~  
33 ~~only in those cases in which it is determined to be appropriate by~~  
34 ~~a campus authority with responsibility for student financial aid~~  
35 ~~programs. If a community college district elects to use a simplified~~  
36 ~~form pursuant to this subparagraph, the district shall annually~~  
37 ~~report to the Chancellor of the California Community Colleges~~  
38 ~~the number of simplified forms used by the district and its~~  
39 ~~justifications for the use of that form.~~

1     ~~(3) Supplemental application information may be used if the~~  
2 ~~information is essential to accomplishing the objectives of~~  
3 ~~individual programs. All supplemental application information~~  
4 ~~used for the purposes of commission-administered programs shall~~  
5 ~~be subject to approval by the commission, and applications shall~~  
6 ~~be identical for programs with similar objectives, as determined~~  
7 ~~by the commission.~~

8     ~~(4) Public postsecondary institutions are encouraged to use, but~~  
9 ~~may decide whether to use, the standard applications for funds~~  
10 ~~provided by private donors.~~

11     ~~(5) The Legislature finds and declares that it is in the best~~  
12 ~~interest of students that all postsecondary education institutions in~~  
13 ~~California participating in federal and state-funded financial aid~~  
14 ~~programs accept the standard applications prescribed by the~~  
15 ~~commission.~~

16     ~~(d) Nothing in this chapter shall prevent an individual public~~  
17 ~~postsecondary institution from processing, with its own staff and~~  
18 ~~fiscal resources, the standard financial aid applications specified~~  
19 ~~in subdivision (c) for student aid programs for which it has legal~~  
20 ~~responsibility.~~

21     ~~(e) The commission may enter into contracts with a public~~  
22 ~~agency or a private entity to improve the processing and~~  
23 ~~distribution of grants, fellowships, and loans through the use of~~  
24 ~~electronic networks and unified databases.~~